

September 15, 2010

**ITEM NO. B7**

**AUTHORIZATION TO EXECUTE A CONTRACT WITH MCDONAGH  
DEMOLITION, INC. FOR DEMOLITION SERVICES AT LECLAIRE COURTS  
EXTENSION - GROUP 3**

To the Honorable Board of Commissioners:

**RECOMMENDATION**

It is recommended that the Board of Commissioners authorize the Chief Executive Officer or his designee to execute a contract for demolition services at LeClaire Courts Extension – Group 3 with McDonagh Demolition, Inc. The contract covers the demolition of fifty (50) dwelling units at nine (9) buildings for a firm fixed fee of \$304,324.00. The demolition work and associated site work and landscaping is to be completed within ninety (90) calendar days of the date set forth in the Notice to Proceed.

**RECOMMENDATION SUMMARY**

Funding: General Fund

Specification No: 10 – 00579

Vendor: McDonagh Demolition, Inc.  
1269 W. LeMonyne Street  
Chicago, IL 60642

Contract Type: Demolition	Date Advertised:	July 27, 2010
Contract Amount: \$304,324.00	Pre-Bid Conference:	August 3, 2010
Number of Vendors Solicited: 264	Site Visit:	August 3, 2010
(Including 134 MBE and 6 WBE Firms)	Addendum No. 1 Issued:	August 11, 2010
Assist Agencies: 69; Non-Minority: 55	Date Bid Opened:	August 19, 2010
Number of Pick-Ups/Downloads: 44	Advertisement Publication(s):	Chicago Sun-Times
(Including 26 downloaded from BuySpeed		Chicago Defender
and 18 walk ins)		El Dia
Number of Bids Received: 7		CHA Website
Contract Time: Ninety (90) calendar days		BuySpeed Online
from the date set forth in		
the Notice to Proceed		

**M/W/DBE Participation:**

Direct MBE 28 % WBE 72 % DBE \_\_\_\_\_ %  
Indirect MBE \_\_\_\_\_ % WBE \_\_\_\_\_ % DBE \_\_\_\_\_ %  
Waiver N (Yes/No)

**Section 3:**

Hiring # 2 Subcontracting \$ \_\_\_\_\_ Other Economic Opportunities \$ \_\_\_\_\_

## **GENERAL BACKGROUND**

As part of the Capital Improvement Program, the Chicago Housing Authority (CHA) solicited bids to perform demolition work at LeClaire Courts Extension (IL2-015). LeClaire Courts extends along the west side of South Cicero Avenue from 44<sup>th</sup> Street to 45<sup>th</sup> Street. The structures to be demolished no longer serve a useful purpose and their demolition is needed as part of the ongoing renovation of CHA developments under the Plan for Transformation. The demolition work at LeClaire Courts Extension was split into several bid packages to provide greater contracting opportunities for vendors. Demolition, site work and landscaping is to be completed within ninety (90) calendar days of the date set forth in the Notice to Proceed.

## **PROCUREMENT HISTORY**

The CHA advertised Invitation for Bid (IFB) No. 10 – 00579 on July 27, 2010 for the demolition of dwelling units at LeClaire Courts Extension – Group 3. The IFB was advertised in the Chicago Sun-Times, the Chicago Defender and El Dia, and on the CHA website and at BuySpeed Online. The pre-bid meeting and site visit were held on August 3, 2010. The CHA issued Addendum No. 1 on August 11, 2010. This Addendum corrected the time of day of the bid opening, distributed updated BF Pages, revised Section 01010 – 1.03 of the Technical Specifications, and replaced certain articles in the Special Conditions. The CHA received and opened seven (7) bids on August 19, 2010 at 12:00 pm.

After reviewing the bid submittal materials, the Department of Procurement and Contracts and the Capital Construction Department held a pre-award survey meeting with the apparent lowest bidder, McDonagh Demolition, Inc. The firm responded to questions on the thoroughness of its bid and its capacity to perform this work. With the reviews, analysis and meetings completed, the Department of Procurement and Contracts has determined that McDonagh Demolition, Inc. is the lowest responsive and responsible bidder for Group 3 at \$304,324.00.

Based on the foregoing, it is in the CHA's best interest for the Board of Commissioners to authorize the Chief Executive Officer or his designee to execute a contract with McDonagh Demolition, Inc. for demolition services at LeClaire Courts Extension – Group 3 for a firm fixed fee of \$304,324.00. The demolition work and associated site work and landscaping is to be completed within ninety (90) calendar days of the date set forth in the Notice to Proceed.

This award is subject to the Contractor's compliance with the CHA's MBE/WBE/DBE, Section 3 resident hiring, and bonding and insurance requirements.

**RESOLUTION NO. 2010-CHA-111**

**WHEREAS**, the Board of Commissioners has reviewed the Board Letter dated September 15, 2010, entitled “AUTHORIZATION TO EXECUTE A CONTRACT WITH MCDONAGH DEMOLITION, INC. FOR DEMOLITION SERVICES AT LECLAIRE COURTS EXTENSION – GROUP 3”;

**THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY**

**THAT** that the Board of Commissioners authorizes the Chief Executive Officer or his designee to execute a contract with McDonagh Demolition, Inc. for demolition services at LeClaire Courts Extension (IL2-015) - Group 3 for a firm fixed fee of \$304,324.00. The contract will cover the demolition of fifty (50) dwelling units at nine (9) buildings. The demolition work and associated site work and landscaping is to be completed within ninety (90) calendar days of the date set forth in the Notice to Proceed.

This award is subject to the Contractor’s compliance with the CHA’s MBE/WBE/DBE, Section 3 resident hiring, and bonding and insurance requirements.

